

# THE DEPARTMENT OF STATE BULLETIN

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# The War

## STATEMENT BY THE SECRETARY OF STATE

[Released to the press April 20]

The following statement has been made by the Secretary of State:

"I have observed with keen satisfaction the splendid showing made in the whole war effort of the country during recent months, and particularly in the production of war supplies for the fighting fronts. The greatly expanded volume of output is far larger than was even hoped for the first of the year. This increased production placed in the hands of our fighting forces will both hasten and make certain the utter defeat of our enemies.

"The United Nations, of which we are one, will win this war.

"Victory will come sooner and with a vast saving in suffering, in life, and in property in proportion as every man and woman in this

country and in each of the United Nations realizes the extreme danger from the purposes of the worst barbarian leaders in all history, who plan to conquer and brutally subjugate the world by methods of unparalleled savagery. Victory will be hastened by every additional ounce of effort which each one of us puts forth in a situation that is as threatening as if his own house were on fire. It will be delayed and will involve an incalculable and unnecessary increase in suffering and in losses with any weakening of such realization and with any lagging in effort and exertion.

"I am confident that our Nation and all those who are with us have only one watchword: to move forward today and not tomorrow. With this will to victory, free men the world over will triumph over the forces of barbarism."

## EXCHANGE OF DIPLOMATIC AND CONSULAR PERSONNEL

[Released to the press April 20]

The Swedish steamship *Drottningholm* under charter to the American Government sailed from Göteborg, Sweden, on April 19. It has on board 114 American citizens who have been stranded in Sweden since 1940. The vessel is traveling under the safe conduct of all the belligerent governments, who are pledged not to stop it nor to detain or search any of its passengers.

A number of Axis nationals, some of them diplomatic and consular officers, are on the way

to the United States from South American countries which have broken relations with the Axis. The American vessels on which they are traveling are proceeding under the safe conduct of all the belligerent nations. En route from their port of arrival in this country to New York for embarkation on the S.S. *Drottningholm*, these persons will be accommodated somewhere for a few days. Because of the crowded condition at White Sulphur Springs they will not be taken there. A large number of these

persons will be placed on board the S.S. *Drottningholm*, which is to leave New York on or about May 5 with a capacity passenger list of Axis officials and certain non-official Axis nationals expelled from this hemisphere. As the number of Axis officials and other Axis nationals to be repatriated to Europe is far greater than the capacity of the S.S. *Drottningholm*, this vessel, on returning from Lisbon with Ameri-

can citizens and nationals of the American republics being evacuated from Europe, will make at least one other trip to Lisbon. It will probably be required for additional trips thereafter until the number of persons being repatriated from Europe and this hemisphere is reduced to a point where existing commercial means will be sufficient to accommodate the persons left behind.

### DEMANDS FOR SURRENDER OF GENERAL MIHAJLOVIC OF YUGOSLAVIA

[Released to the press April 23]

The following note has been sent by the Secretary of State to His Excellency Constantin Fotitch, the Yugoslav Minister at Washington, in the matter of the order recently issued at Belgrade demanding the surrender of General Mihajlovic and his staff.

It is in reply to a note from the Yugoslav Minister, the substance of which, together with the list of officers to whom the order referred, has already appeared in the press.

"APRIL 22, 1942.

"SIR:

"I have the honor to acknowledge the receipt of your note of April 13<sup>1</sup> in which you place on record the protest of the Royal Yugoslav Government with respect to the order of the authorities now in control at Belgrade, demanding the surrender of General Draza Mihajlovic and his staff, and announcing, in the event of non-compliance, that their families will be taken as hostages, and further that the families of other persons having contact with, or rendering assistance to the campaign of General Mihajlovic will be held in reprisal, and their property held subject to confiscation.

<sup>1</sup> Not printed.

"The position of this Government with respect to the taking of hostages has already been made known. This barbarous practice as a German method of warfare was stigmatized in a declaration made public by the President of the United States on October 25, 1941, which in turn was cited, as your Government is aware, in the joint declaration recently signed at London by the representatives of nations whose territory is now under German tyranny, proclaiming to the world the resolve of outraged peoples that retribution would be exacted.

"The Government and people of the United States have watched with admiration the resourceful and heroic operations of General Mihajlovic and his men and are proud to acknowledge the contribution of Yugoslav patriots in the common struggle against the forces bent on the destruction of free nations throughout the world. The shocking proclamation to which your note has reference is but another of a series of savage and ruthless measures whereby German terrorism has sought to break the spirit of brave men.

"Accept [etc.]

"For the Secretary of State:

SUMNER WELLES"

## LEND-LEASE OPERATIONS

[Released to the press by the White House April 18]

Thomas B. McCabe, Acting Lend-Lease Administrator, has given the President a brief summary of lend-lease operations as of March 31, 1942. The summary says, in part:

1. Lend-lease aid has increased every month since the inauguration of the program. Aid in

the month of March amounted to nearly 600 million dollars.

2. Total lend-lease aid to the end of January amounted to 2 billion dollars. At the end of March it amounted to more than 3 billion dollars, an increase of a billion dollars in two months.

3. The amount of aid sent to Russia in March was  $2\frac{1}{2}$  times as great as that sent in February.

## American Republics

### ECONOMIC COLLABORATION WITH PERU

[Released to the press April 23]

The visit to Washington of His Excellency Señor David Dasso, Minister of Finance and Commerce of Peru, was brought to a close on April 23 with the exchange with the Secretary of State of notes incorporating a series of important decisions on matters of collaboration between Peru and the United States in attaining a number of the objectives of the resolutions of the Third Meeting of Ministers of Foreign Affairs of the American Republics at Rio de Janeiro. These matters include: (1) measures for the mobilization of the resources of Peru for the production of strategic materials essential for the security of the hemisphere, involving especially (a) the establishment by Peru of a Peruvian Amazon Corporation and (b) arrangements for the acquisition by the Rubber Reserve Company over a period of five years of all rubber produced in Peru other than a specified amount required for essential uses in Peru; (2) establishment by the Export-Import Bank of a credit in favor of Banco Central de Reserva del Peru in the sum of \$25,000,000 to assist in financing purchases in the United States of materials and equipment required in connection with the construction

and development in Peru of useful public works and of agricultural, mining, and industrial projects; (3) agreement with the Secretary of Agriculture for the establishment of an agricultural experiment station at Tingo María and arrangements for the loan to the Government of Peru of the services of experts of appropriate agencies of the United States in highway engineering, erosion control, coal mining, and tea processing; and (4) agreement for the purchase by the Department of Agriculture, through the Commodity Credit Corporation, for the duration of the war, of that portion of the Peruvian cotton production which is in excess of sales for Peruvian consumption and for export to other purchasers.

In addition, the Minister of Finance and Commerce has announced the recent adoption by his Government of further measures to control the commercial and financial operations of firms and persons whose activities are deemed inimical to the security of the hemisphere, and the readiness of his Government to consult with the Government of the United States regarding any measures which may be necessary to prevent persons whose activities are thus deemed inimical from benefiting in the agreements



reached between the two Governments. He has also stated that he is engaged in discussions with the Foreign Bondholders Protective Council, Incorporated, looking toward a resumption of payments on the Peruvian dollar debt.

While in Washington the Minister also discussed a number of other matters of mutual interest to the two Governments, including details of arrangements under the Lend-Lease agreement signed on March 11, 1942 and export control, priorities, and allocations questions relating to the importations by Peru from the United States of materials and equipment needed for the maintenance of Peruvian mining production, transportation, and essential civilian needs.

The texts of the notes follow:

*The Peruvian Minister of Finance and Commerce to the Secretary of State*

PERUVIAN EMBASSY,  
Washington, April 23, 1942.

MR. SECRETARY:

I wish to express my sincere appreciation for the courtesies which have been extended to me and to my companions during our visit to Your Excellency's country. During my stay, I have had the opportunity to discuss with officials of a number of agencies of Your Excellency's Government a program of close collaboration to attain many of the objectives of the Resolutions of the Third Meeting of the Ministers of Foreign Affairs of the American Republics at Rio de Janeiro, and a series of important decisions have been reached on several points of this program.

In order to carry out its undertaking in accordance with Resolution II on the Production of Strategic Materials, the Government of Peru is establishing a Peruvian Amazon Corporation to develop the production and encourage the collection of wild rubber and other tropical products. Moreover, I have today transmitted to Your Excellency a note<sup>1</sup> containing a proposal of the Government of Peru, in

furtherance of the provisions relating to the production of strategic materials in Resolution II of the Third Meeting of the Ministers of Foreign Affairs of the American Republics at Rio de Janeiro, for developing the production of rubber in Peru and for making available to the United States all rubber produced in Peru other than a specified amount required for essential uses in Peru. This proposal provides for the purchase of such rubber by Rubber Reserve Company over a five-year period. The proposal also contemplates the establishment of a fund of \$1,125,000 to be made available to Peru for the purpose of increasing the production of wild rubber in Peru.

I have taken up with the Export-Import Bank of Washington the question of obtaining an appropriate credit to assist in financing purchases in the United States of materials and equipment required in connection with the construction and development in Peru of useful public works and of agricultural, mining and industrial projects.

In order to provide the fullest technical facilities and cooperation necessary to the successful development in Peru of production of rubber and other important and strategic tropical products, discussions were begun with members of the United States Delegation at the Rio de Janeiro Meeting looking towards the establishment of an agricultural experiment station in the Amazon region of Peru. These discussions have culminated in an agreement with the Secretary of Agriculture of the United States, a copy of which is enclosed,<sup>1</sup> for the immediate establishment of such an experiment station at Tingo María. During my visit to Washington I have also taken up with appropriate officials of Your Excellency's Government the desire of the Government of Peru to obtain the services of experts in highway engineering, erosion control, coal mining, and tea processing.

Discussions have also taken place with the Secretary of Agriculture and officials of the Commodity Credit Corporation regarding proposals for the purchase through the latter Corporation, for the duration of the war, of that

<sup>1</sup> Not printed.

portion of the Peruvian cotton production which is in excess of sales for Peruvian consumption and for export to other purchasers. These discussions have resulted in the conclusion with the Secretary of Agriculture of an agreement, a copy of which is attached,<sup>1</sup> which should contribute in large measure to the maintenance of the Peruvian agricultural economy and the orderly handling of cotton crops in the face of dislocations of trade occasioned by the war.

As Your Excellency is aware, the Government of Peru has just adopted measures implementing further the recommendations contained in Resolution V on Severance of Commercial and Financial Relations adopted at the Third Meeting of the Ministers of Foreign Affairs at Rio de Janeiro. By these measures the Government of Peru will control the commercial and financial operations of firms and persons whose activities are deemed inimical to the security of the hemisphere. In this connection, the Government of Peru will consult with the Government of the United States regarding any measures which may be necessary to prevent such persons and firms from benefiting from the agreements which have been reached between our two Governments.

The Peruvian Government wishes to inform Your Excellency's Government that it has entered into discussions with the Foreign Bondholders Protective Council, Incorporated, looking toward the early resumption of payments on the Peruvian dollar debt. These discussions with regard to the scale and amount of payments will be continued after my return to Lima and subsequent announcement will be made by my Government.

In conclusion I wish to express to Your Excellency my firm conviction that the program of further collaboration between our Governments developed during my visit will contribute greatly to the realization of our common aim of hemisphere security.

I avail myself [etc.]

DAVID DASSO

<sup>1</sup> Not printed.

*The Secretary of State to the Peruvian Minister of Finance and Commerce*

DEPARTMENT OF STATE,  
Washington, April 23, 1942.

EXCELLENCY:

I have received with deep gratification Your Excellency's cordial note of April 23, 1942 with reference to the matters which I and other officials of the Government of the United States have had the privilege of discussing with you during your visit to Washington. I need not assure you of the personal satisfaction which it has been for me to collaborate with you in the establishment of a program to attain certain of the objectives of the Resolutions of the Third Meeting of Ministers of Foreign Affairs of the American Republics at Rio de Janeiro, and I am convinced that the decisions taken will contribute in important degree to the security of the hemisphere.

My Government is pleased to note that, in furtherance of Resolution II on the Production of Strategic Materials, Your Excellency's Government is creating a Peruvian Amazon Corporation to undertake and stimulate the production of strategic tropical products. In this connection I have today transmitted to Your Excellency a note<sup>1</sup> accepting the proposal of the Government of Peru with respect to the acquisition by the Rubber Reserve Company over a period of five years of all rubber produced in Peru other than the specified amount required for essential uses in Peru. This agreement marks an important step in the carrying out of the broad program for the mobilization of strategic material resources for the security of the hemisphere which was undertaken at the recent Rio de Janeiro Meeting.

I am informed by the Secretary of Commerce that the Export-Import Bank finds itself heartily in sympathy with the objectives of the program of the Government of Peru and is prepared to establish a credit in favor of Banco Central de Reserva del Peru in the sum of \$25,000,000

to assist in financing purchases in the United States of materials and equipment required in connection with the construction and development in Peru of useful public works, and of agricultural, mining and industrial projects. It is recognized that the United States cannot undertake to furnish machinery and equipment in short supply due to the exigencies of war, and that priorities necessary to acquire such items in the United States will be granted only after careful study and determination that the establishment of the industry for which they are needed will contribute directly in important measure to the war effort of the United States and the security of the hemisphere.

I have noted with satisfaction and interest the agreements entered into by Your Excellency with the Secretary of Agriculture for the establishment of an agricultural experiment station at Tingo María and for the purchase through the Commodity Credit Corporation of that portion of the Peruvian cotton production which is in excess of sales for Peruvian consumption and for export to other purchasers. I also take pleasure in informing you that my Government has found it possible to arrange to make available to Your Excellency's Government the services of

competent experts in highway engineering, erosion control, coal mining, and tea processing.

My Government has noted with great satisfaction the measures adopted by the Peruvian Government to control the commercial and financial operations of persons whose activities are deemed inimical to the security of the hemisphere, which are referred to in Your Excellency's note, as well as Your Excellency's statement that the Government of Peru will consult with the Government of the United States regarding any measures which may be necessary to prevent such persons from benefiting from the agreements reached between our two Governments. It is understood that the two Governments will consult particularly with respect to the policies and procedures to be adopted for dealing with cotton which may be produced by persons or firms on the United States Proclaimed List of Certain Blocked Nationals.

I likewise welcome the information that the Government of Peru is carrying on discussions with the Foreign Bondholders Protective Council, Incorporated, looking towards an early resumption of payments on the Peruvian dollar debt.

Accept [etc.]

CORDELL HULL

### ECONOMIC COLLABORATION WITH NICARAGUA

[Released to the press April 25]

The Nicaraguan Minister of Foreign Affairs, Dr. Mariano Arguello, and the President of the National Bank of Nicaragua, Dr. Jesus Sanchez, have concluded their visit in Washington, during the course of which negotiations were undertaken relating to the construction of the Nicaraguan section of the Inter-American Highway, an extension of credit by the Export-Import Bank, the availability of supplies and equipment for the maintenance of certain industries vital to the economy of Nicaragua, defense measures of mutual interest, and the development of rubber production for purchase by the United States.

1. Notes were exchanged on April 8, 1942 providing for the cooperation of the United States in the construction of the Inter-American Highway in Nicaragua, in accordance with the Inter-American Highway Act signed by the President of the United States on December 26, 1941. This exchange of notes provides for the completion of the Inter-American Highway in Nicaragua on the basis that Nicaragua will assume one third of the cost of the construction of the Highway in Nicaragua; the remaining two thirds will be borne by the United States under the above-mentioned Act.

The section of the Inter-American Highway from Managua, the capital of Nicaragua, north



65 miles to Sebaco and south 29 miles to Diriamba, has been largely completed by the Nicaraguan Government. The exchange of notes effected on April 8 will permit the completion of this part of the Highway, and its extension to the Honduran and Costa Rican frontiers, involving about 175 miles of construction.

2. Negotiations were concluded relating to the extension of a line of credit, not to exceed \$500,000, in favor of the Banco Nacional de Nicaragua by the Export-Import Bank of Washington.

3. Expression was given by Dr. Arguello to the vital importance of certain industries in the internal economy of Nicaragua and to the requirements of those industries for supplies and equipment essential to their continued operation. The Government of the United States has assured the Nicaraguan Government that, so far as the materials are available in the United States under present conditions, every effort will be made to assist those industries essential to the national economy of Nicaragua to obtain supplies and equipment for the maintenance of production at normal levels.

4. Dr. Arguello also discussed, while in Washington, a number of matters of interest to the two Governments in relation to continental defense. Agreement was reached regarding the cooperation of the United States in the construction of a highway which will join the Atlantic and Pacific sections of Nicaragua and will at the same time have an important bearing upon the defense of this highly important area.

5. An agreement in principle has been reached whereby the Nicaraguan Government, acting through the Banco Nacional de Nicaragua, will make available for purchase by the Rubber Reserve Company all crude rubber produced in Nicaragua which is available for export.

6. The Government of the United States, acting through the Department of Agriculture, has agreed to assist the Nicaraguan Government in the establishment of an agricultural-demonstration station with a view to increasing Nicaraguan agricultural production, particularly with respect to the development of rubber and abaca, and to that end will send a group of competent experts to Nicaragua.

#### RADIO ADDRESS BY PHILIP W. BONSAL ON INTER-AMERICAN RELATIONSHIPS<sup>1</sup>

[Released to the press April 25]

I am deeply grateful to Edward Tomlinson for affording me this opportunity of addressing his radio audience. Mr. Tomlinson is a pioneer and remains a leader among those who on the air and in the press have made and continue to make important contributions to that mutual understanding and community of interest which is at the basis of the relations today so happily existing between the 21 American republics. His work has been well and favor-

ably known to all of us who are familiar with this important phase of the political and economic relations of our country.

Unfortunately the work of Mr. Tomlinson and his colleagues, based as it is upon intimate knowledge of American problems—and I use the term American in the broadest sense of the word—is from time to time counteracted by irresponsible and unfounded statements which are widely circulated. One such statement was called to my attention recently. It was to the effect that at the recent meeting in Rio de Janeiro the United States representatives made a large number of promises which they did not have the ability to carry out. It was alleged

<sup>1</sup> Delivered over the Blue Network on April 25, 1942. Mr. Bonsal is Chief of the Division of the American Republics, Department of State.

that our delegation offered to the other American republics priorities in the furnishing of a long list of supplies, equipment, and machinery urgently needed by the fighting fronts and by our own war industries. The purpose of the offer is alleged to have been to secure certain commitments, presumably of a political nature, from our neighbors. Those promises, it is stated, have not been fulfilled, and our neighbors are alleged in this statement to feel that they were deceived at Rio.

These allegations are completely false. The American republics understand and have confidence in each other. Furthermore, they understand the world conditions and particularly the world emergency today confronting free nations. They are conscious of the interdependence of their economies. They appreciate the factors which make it more or less possible to transport goods between them. They have resolved together to take all adequate measures for the maintenance of their economic stability.

They know, however, that that stability as well as the prospect of an increased development of their own economic possibilities is intimately tied to the achievement of the military victory to which the peoples of the Americas look with the utmost confidence.

Those who lightly accuse our Government of deliberately making false promises demonstrate among other things their own ignorance of the background of the inter-American relationship as it exists today. That relationship is not the creation of a moment's inspiration. Its foundations were laid over a century ago.

The 21 American republics are, in fact, united in many measures to meet danger threatening them all. However, the action which they are now taking is possible because the machinery for collaboration and the mutual confidence necessary for solidarity had been created before the danger arose in its present form. In other words, ours is not an improvised policy.

A very brief survey of the major steps taken over the past few years in order to build up our inter-American solidarity to the point where it is now successfully meeting almost daily emergencies of an international character is appro-

priate. The first of these steps was taken at Montevideo in 1933 at the seventh of a series of international conferences of American states which had been held since 1889. There the 21 American republics defined the rights and duties of sovereign states and renounced any intervention in each other's internal affairs. By treaty the United States renounced the right which it had previously asserted in certain instances to intervene forcibly in the affairs of its neighbors. By its actions in the succeeding years the United States demonstrated its adherence to the new principles and its dedication to the policy of the good neighbor. Thus was the specter of imperialism laid to rest in the political field and the juridical equality of each sovereign nation firmly established.

Nineteen hundred and thirty-three—this was the year in which the American republics laid the cornerstone of international confidence and cooperation in this hemisphere; it was also the year of Hitler's coming to power in Germany.

Three years later the American republics assembled at Buenos Aires at a special conference called by President Roosevelt. It was there agreed that the peace of any one of the American republics was a cause of common concern to all. A procedure of consultation was devised and the obligation to consult together was assumed in the case that peace were threatened from any source.

Many of the statesmen of our hemisphere were in 1936 already thoroughly aware of the degree to which the path of the aggressor in Europe and Asia had been smoothed because those nations interested in the maintenance of international law and order had failed to stand together and to agree upon common measures of resistance. In 1936 the fatal policies of appeasement and self-delusion had already borne fruit, and the Third Reich had been allowed unilaterally and by force to overthrow the international statutes upon which the peace of Europe rested.

Still further seeking to weld together their continental community, the American republics met at Lima in December of 1938. Europe was already in the shadows. Munich had come and

gone, and few believed that even the highly favorable terms which Hitler had there extracted from the unprepared democracies would long be respected by him.

At Lima the American republics magnificently reaffirmed their continental solidarity and provided that in order to facilitate the necessary consultations the Ministers of Foreign Affairs of the American republics or their representatives, when deemed desirable and at the initiative of any one of them, would meet together.

Within three weeks of the outbreak of the war in September of 1939 there was assembled at Panamá the First Consultative Meeting of the Foreign Ministers of the continent. At that meeting emphasis was upon immediate measures for keeping the effects of the conflict from the hemisphere. Procedures with regard to neutrality and security were adopted. In retrospect, however, perhaps the most important achievement was the establishment of the Inter-American Financial and Economic Advisory Committee, consisting of one representative of each of the 21 governments, which has been in permanent session in Washington since November of 1939 and has furnished a constant medium for the consideration of the many and serious economic problems resulting from the ever-spreading war and for the adoption of far-reaching measures designed to meet those problems. For example: that Committee is responsible for the Inter-American Coffee Agreement; it devised the arrangements under which 100 former Axis vessels immobilized in American ports are now serving the Americas.

In the summer of 1940 the surrender of France brought the war much closer to our hemisphere. France has had for generations colonial possessions in the West Indies and on the mainland of South America. Those possessions, in the hands of a government subservient to the aggressor nations, might prove a source of great danger to the free nations of the continent. Understanding this situation thoroughly, the 21 American republics before the end of July 1940 had adopted at the Second Consultative Meeting of Foreign Ministers held at Habana an Act and a

Convention providing for the provisional administration of European possessions by an inter-American organization in case of the danger of a change in sovereignty over those regions.

At the same meeting the representatives of the American republics took occasion to declare "that any attempt on the part of a non-American State against the integrity or inviolability of the territory, the sovereignty or the political independence of an American State shall be considered as an act of aggression against the States which sign this declaration". All 21 representatives signed the declaration.

On December 7 the United States of America, one of the 21 American republics, became the victim of aggression of one of the Axis partners; the other partners declared war on us. Again the procedure of consultation was called into play. Again the American republics affirmed the declaration which they had made at Habana. The Foreign Ministers acted, reaffirming the complete solidarity of the countries which they represented and their determination to cooperate jointly for their mutual protection until, in the words of the important resolution which they there adopted, "the effects of the present aggression against the Continent have disappeared." They recommended that each country break off its diplomatic relations with the Axis powers in accordance with the procedures established by its own laws and in conformity with the position and the circumstances pertaining to each country in the existing continental conflict.

The Rio Meeting covered a very wide field of matters of inter-American interest. It was fitting that it should do so since it met at a time of unparalleled crisis and since it was the third in a series of meetings held under the consultative procedure. It would not be possible here to attempt to review all that was accomplished. The record has been published.<sup>1</sup> Suffice it to say that in 40 carefully drafted resolutions the entire field of the political and economic problems of the Americas was covered. And in

<sup>1</sup> For text of Final Act, see the *Bulletin* of February 7, 1942, p. 117.



addition to these tangible and concrete resolutions it is important to stress the tremendous power of the intangible forces which are today influencing the course of inter-American relations.

At a gathering such as this at Rio—not a conference in the usual and formal sense but rather a meeting of friends and colleagues—statesmen responsible for guiding the foreign policies of 21 sovereign nations meet on informal terms. They sit down in subcommittees and work together in formulating their common policies. Their exchanges of views are not confined to formal sessions but are continued in small groups at the luncheon table or at social gatherings. Many familiar faces are seen—old friends who have participated in previous inter-American gatherings. The intimate bonds of friendship generated through this simple and effective mechanism have had and are continuing to have a significant effect in promoting mutual understanding and a feeling of common responsibilities in the face of the dangers threatening our continent.

We in the Americas have behind us over a decade of experience in the practical application of international fair-dealings. We do not make promises to each other which we know we can not make good. There is not the slightest foundation for the allegation that promises were made at Rio which this Government was in no position to make good. Our friends know that we are fighting a war of survival; many of them are fighting at our side. They know too that the officially stated economic policy of this Government is to aid in maintaining the economic stability of the other American republics by recognizing and providing for their essential civilian needs on the basis of equal and proportionate consideration with our own. Just as no one can predict the exact future course of the war to the day of ultimate victory, so no one can predict the extent of the privations and sacrifices to which the civilian populations in the United States and the other American republics may be sub-

jected before that day arrives. Equally certainly the maintenance of economic stability in each one of the American republics, which are making so important a contribution to our own war effort, is an important objective of this Government's war-time policy. The details of that policy are being worked out daily in friendly consultation and conference between the officials of the various governments concerned.

Those officials and their governments believe in the Rio resolutions. They believe that the United States will carry out its stated policy. They have daily evidence of the carrying out of that policy. They know that since the Rio Meeting about 50 scarce articles, including important groups of iron and steel products, rayon, certain chemicals, and farm machinery, have been the subject of allocation for export by our Government in accordance with its stated policy regarding civilian needs in the United States and in the other American republics.

Since Rio eight of the other American republics have sent official delegations to Washington for the purpose of entering into reciprocal commitments with this Government in a large variety of matters, mostly of an economic character. These commitments continue to be entered into in a spirit of mutual understanding, confidence, and knowledge. Surely the record is a clear demonstration that the Americas both in peace and in war have found and are following a course of cooperation for the benefit of all.

#### PAYMENT BY BOLIVIAN GOVERNMENT TO STANDARD OIL COMPANY

[Released to the press April 22]

In compliance with the agreement signed on January 27, 1942 at Rio de Janeiro by the Minister of Foreign Relations of Bolivia and the authorized representative of the Standard Oil Company of Bolivia and the Standard Oil Company (New Jersey),<sup>1</sup> the Bolivian Gov-

<sup>1</sup> *Bulletin* of February 21, 1942, p. 172.



ernment has paid the Standard Oil Company (New Jersey) the sum of \$1,729,375. This amount represents the principal of \$1,500,000 with interest at the rate of three percent per annum from March 13, 1937, and is in payment for all the rights, interest, and properties in Bolivia of the Standard Oil Company (New Jersey) and of its subsidiary, the Standard Oil Company of Bolivia, as they existed immediately prior to March 13, 1937 and for the sale of the existing maps and geological studies which are the result of their explorations in Bolivia.

#### MIXED COMMISSION, UNITED STATES AND ARGENTINA

[Released to the press April 22]

In accordance with the provisions of the second paragraph of article XII of the trade agreement between the United States and Argentina, which became provisionally effective on November 15, 1941, there has been established in Buenos Aires a commission consisting of representatives of the Governments of the United States and Argentina. The commission will study the operation of the agreement, make recommendations relating thereto, and consider such other matters as may be submitted to it by the two governments. The representatives of the Government of the United States are members of the staff of the American Embassy at Buenos Aires who participated in the negotiation of the agreement; those of the Government of Argentina are members of the Inter-Ministerial Committee.

The commission will function as a convenient agency for informal discussion of trade-agreement matters of interest to one or both governments. It will not supersede in any way the usual diplomatic channels of communication between the two governments; nor will it, either as a joint commission or as separate United States and Argentine commissions, supersede established channels in either country for communication between private individuals or firms and the government concerned

in regard to matters affecting the trade agreement, or the established organization and procedure for reaching decisions relating to such matters.

## Commercial Policy

### TRADE-AGREEMENT NEGOTIATIONS WITH MEXICO

[Released to the press April 21]

Pursuant to section 4 of an act of Congress approved June 12, 1934, entitled "An Act To Amend the Tariff Act of 1930", as extended by Public Resolution 61, approved April 12, 1940, and to Executive Order 6750, of June 27, 1934, public notice of intention to negotiate a trade agreement with the Government of Mexico was issued on April 4, 1942. In connection with that notice, the Acting Secretary of State published a list of products on which the United States will consider the granting of concessions to Mexico, and announced that concessions on products not included in the list would not be considered unless supplementary announcement were made.

The Acting Secretary of State announced on April 11, 1942 that certain other products had been added to the list issued on April 4, 1942.

The Secretary of State now announces that the products described below have been added to the lists issued on April 4, 1942 and on April 11, 1942.

The Committee for Reciprocity Information has prescribed that all information and views in writing and all applications for supplemental oral presentation of views relating to products included in the second supplementary list shall be submitted to it not later than 12 o'clock noon, May 11, 1942. They should be addressed to "The Chairman, Committee for Reciprocity Information, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C." Supplemental oral statements with re-

gard to any product contained in this list will be heard at the public hearing beginning at 10 a.m. on May 18, 1942, before the Committee for Reciprocity Information, in the hearing room of the Tariff Commission in the Tariff Commission Building, unless persons interested in these products request that they be heard at a later date acceptable to the Committee.

Suggestions with regard to the form and content of presentations addressed to the Committee for Reciprocity Information are included in a statement released by that Committee on December 13, 1937.

#### SECOND SUPPLEMENTARY LIST OF PRODUCTS

United States Tariff Act of 1930 Paragraph	Description of article	Present rate of duty
727.....	Rice polish.....	5¢ per lb.
727.....	Rice bran.....	5¢ per lb.

#### COMMITTEE FOR RECIPROCITY INFORMATION

#### TRADE-AGREEMENT NEGOTIATIONS WITH MEXICO

#### Public Notice

#### Second Supplementary List of Products

Closing date for submission of briefs, May 11, 1942; closing date for application to be heard, May 11, 1942; public hearings open, May 18, 1942.

The Committee for Reciprocity Information hereby gives notice that all information and views in writing, and all applications for supplemental oral presentation of views, with regard to the second supplementary list of products announced by the Secretary of State on this date in connection with the negotiation of a trade agreement with the Government of Mexico, shall be submitted to the Committee for Reciprocity Information not later than 12 o'clock noon, May 11, 1942. Such communications should be addressed to "The Chairman, Committee for Reciprocity Information, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C."

A public hearing will be held, beginning at 10 a.m. on May 18, 1942, before the Committee for Reciprocity Information, in the hearing room of the Tariff Commission in the Tariff Commission Building, when supplemental oral statements will be heard with regard to the products contained in the second supplementary list, unless persons interested in these products request that they be heard at a later date acceptable to the Committee.

Six copies of written statements, either type-written or printed, shall be submitted, of which one copy shall be sworn to. Appearance at hearings before the Committee may be made only by those persons who have filed written statements and who have within the time prescribed made written application for a hearing, and statements made at such hearings shall be under oath.

By direction of the Committee for Reciprocity Information this 21st day of April 1942.

E. M. WHITCOMB

Acting Secretary

WASHINGTON, D.C.,  
April 21, 1942.

## Cultural Relations

### VISIT TO THE UNITED STATES OF PERUVIAN CONGRESSMAN

[Released to the press April 25]

Dr. José Angel Escalante, a member of the Chamber of Deputies of the Congress of Peru, is expected to arrive in Washington on April 28, at the invitation of the Department of State. Dr. Escalante, who represents one of the provinces of the Department of Cuzco, is owner of *El Comercio*, a daily newspaper that has been in circulation for more than a quarter of a century. In 1930 he was Minister of Education and Justice in the President's Cabinet.

Dr. Escalante is an ardent supporter of democracy and is an energetic advocate of hemi-

spheric solidarity. Last year he introduced a motion, which the Chamber of Deputies passed, that a message "reaffirming democratic principles" be sent by the Peruvian Congress to the other legislative bodies of the American republics.

Dr. Escalante is especially interested in the subject of Indians throughout the Americas and is planning to confer with authorities on Indian affairs in this country. He is also keenly interested in pre-school instruction, secondary education, and our newspapers.

### VISIT TO THE UNITED STATES OF PERUVIAN ENGINEER

[Released to the press April 25]

Enrique Laroza, director of the National School for Engineers at Lima, Peru, arrived in Washington by plane on April 25, at the invitation of the Department of State, for a visit to engineering centers in this country.

Señor Laroza, who is himself an electrical engineer educated in the United States and in Europe, is especially interested in sanitary-engineering methods and in recent developments in laboratory equipment. While here he plans to visit Yale, Johns Hopkins, a number of well-known foundations, and various factories. His visit will include a side trip to Toronto to confer with directors of the International Petroleum Company, who grant two fellowships annually to the School for Engineers which he heads.

### VISIT TO THE UNITED STATES OF PARAGUAYAN OFFICIAL

[Released to the press April 25]

Dr. Sigfrido Gross-Brown, Collector of Internal Revenue of the Republic of Paraguay, will arrive in Washington on April 27. Dr. Gross-Brown, who is coming here at the invitation of the Department of State, will make a study of United States methods of tax administration, collection, and control. He will also visit representative law schools and colleges of business administration. He has been a professor of law at the University of Paraguay

at Asunción, a judge in the commercial courts, and a member of the Civil Court of Appeals.

Dr. Gross-Brown has also served as an officer of the Paraguayan Army and as a member of the Superior Military Court.

## The Foreign Service

### DEATH OF WIFE OF AMBASSADOR LEAHY

[Released to the press April 21]

On April 21 the Secretary of State sent the following telegram to Admiral William D. Leahy, American Ambassador at Vichy, regarding the death of Mrs. Leahy:

"Mrs. Hull and I were greatly distressed and pained by the sad news which has just reached us. We are grieving with you in the great loss which you have suffered in serving your country and send you our very deepest sympathy."

### PERSONNEL CHANGES

[Released to the press April 25]

The following changes have occurred in the American Foreign Service since April 18, 1942:

F. Willard Calder, of New York, N.Y., Vice Consul at Belfast, Northern Ireland, has been appointed Vice Consul at Foynes, Ireland, where an American Consulate will be established.

Samuel H. Day, of Berkeley, Calif., Consul at Toronto, Ontario, Canada, has been designated Commercial Attaché at Pretoria, Transvaal, Union of South Africa.

Oscar W. Frederickson, of Tacoma, Wash., Vice Consul at Ottawa, Ontario, Canada, has been appointed Vice Consul at Asunción, Paraguay.

Charles Gilbert, of Brooklyn, N.Y., Vice Consul at Madrid, Spain, has been appointed Vice Consul at La Paz, Bolivia.

James G. McCargar, of Palo Alto, Calif., has been appointed Vice Consul at Vladivostok, U.S.S.R.

Lynn W. Meekins, of Hershey, Pa., Commercial Attaché at Pretoria, Transvaal, Union of South Africa, has been designated First Secretary of Legation at Pretoria, Transvaal, Union of South Africa.

Paul G. Minneman, of Mendon, Ohio, now serving in the Department of Agriculture, has been designated Agricultural Attaché at Habana, Cuba.

Shiras Morris, Jr., of Hartford, Conn., Third Secretary of Embassy and Vice Consul at Mon-

tevideo, Uruguay, has been assigned for duty in the Department of State.

John Randolph, of Niagara Falls, N.Y., now serving in the Department of State, has been assigned as Consul at Edmonton, Alberta, Canada.

G. Frederick Reinhardt, of Oakland, Calif., Third Secretary of Embassy and Vice Consul at Moscow, U.S.S.R., has been assigned for duty in the Department of State.

## Treaty Information

*Compiled in the Treaty Division*

### LABOR

#### Agreement with Canada Regarding Unemployment Insurance

By an exchange of notes dated March 6 and 12, 1942 an agreement was entered into between the Government of the United States of America and the Canadian Government respecting coordination and integration of the unemployment-insurance laws of the United States and Canada, so that duplication of contributions with respect to the same services and duplication of insurance payments with respect to the same period of unemployment may be avoided.

The agreement entered into force on April 12, 1942. It may be terminated by either Government after 60 days' notice to the other Government.

Provision for the maintenance of a federal-state unemployment-insurance program in the United States is contained in the Social Security Act (Act of August 14, 1935, ch. 531, title III, §302, 49 Stat. 626, as amended by Act of August 10, 1939, ch. 666, title III, §301, 53 Stat. 1378). Provision for an unemployment-insurance program in Canada is contained in the Unemployment Insurance Act,

1940, Chapter 44 of the Statutes of Canada, 1940. It was considered desirable by the representatives of the U.S. Social Security Board and the Canadian Unemployment Insurance Commission that the application of such laws be coordinated.

### PUBLICATIONS

#### Agreement for the Exchange of Official Publications with Panama

An agreement for the exchange of official publications between the United States and Panama was concluded by an exchange of notes dated November 27, 1941 and March 13, 1942, effective as from November 27, 1941.

Each Government furnished to the other a list of the publications to be exchanged. The publications will be received by the Library of Congress on behalf of the United States and by the Ministry of Foreign Relations on behalf of Panama. Each Government agreed to bear the postal, railroad, steamship, and other charges arising in its own country and to expedite the shipments as far as possible. It was also agreed that new and important publications which may be initiated in the future shall be included in the lists for exchange without the necessity of subsequent negotiations.



## STRATEGIC MATERIALS AND FINANCE

## Agreements with Peru

An announcement regarding a series of decisions on matters of collaboration between Peru and the United States, together with an exchange of notes between the Secretary of State and the Peruvian Minister of Finance and Commerce, appears in this *Bulletin* under the heading "American Republics".

## Agreement with Nicaragua

An announcement regarding negotiations concluded between the Government of Nicaragua and the Government of the United States relating to various matters of collaboration between the two Governments, appears in this *Bulletin* under the heading "American Republics".

## COMMERCE

## Trade Agreement with Argentina

An announcement regarding the establishment of a Mixed Commission, consisting of representatives of the Governments of Argentina and the United States, as provided in the trade agreement between the two countries which entered into effect provisionally November 15, 1941, appears in this *Bulletin* under the heading "American Republics".

## Regulations

Safeguarding Technical Information: Authority for Admission of Foreign Nationals. (Army: War Department.) [Cir. 109, W.D., April 13, 1942.] 7 *Federal Register* 2963.

## The Department

## APPOINTMENT OF OFFICERS

Mr. Rafael Giménez has been appointed an Assistant Chief of the Central Translating Office, effective April 1, 1942 (Departmental Order 1051).

Mr. George L. Brandt, a Foreign Service officer of class I, has been designated an Executive Assistant to Assistant Secretary of State Mr. Long, effective April 21, 1942 (Departmental Order 1054).

## Legislation

Sixth Supplemental National Defense Appropriation Bill, 1942. H. Rept. 2030, 77th Cong., on H.R. 6868. 10 pp.

Amending the Act Requiring Registration of Foreign Agents. H. Rept. 2038, 77th Cong., on S. 2399. 12 pp.

## Publications

## DEPARTMENT OF STATE

The Problem of Economic Peace After the War: Address by Leo Pasvolksy, Special Assistant to the Secretary of State, delivered at Delaware, Ohio, March 4, 1942. Commercial Policy Series 72. Publication 1720. 22 pp. 5¢.

Diplomatic List, April 1942. Publication 1724. ii, 96 pp. Subscription, \$1 a year; single copy, 10¢.



